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## DIGEST

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Ellington

HB No. 1450

**Abstract:** Establishes the Rural Hospital Capital Improvement Act to provide grants and assistance with the development of capital outlay requests.

Proposed law establishes the Rural Hospital Capital Improvement Act which shall provide for a program of grants and opportunities for assistance with the development and preparation of state capital outlay funding requests by rural hospitals.

Proposed law provides for definitions, including "rural hospital", which means a hospital of 60 beds or less licensed by the Dept. of Health and Hospitals, hereinafter "department", that meets the definition of a rural hospital under present law as of April 20, 2010.

Proposed law establishes the Rural Hospital Capital Grant Program to be administered by the department to provide grants to rural hospitals for capital and other improvements intended to address specific deficiencies or problems. The annual distribution of grant funding shall be contingent upon the availability of monies appropriated for such purpose.

Proposed law requires the secretary of the department to design and provide for a grant application procedure. Proposed law provides for specific elements to be contained in the application, which include a statement by the governing body of the hospital expressing a specific need or deficiency for which grant monies are being sought, a detailed plan for expenditures, and evidence that the hospital has been unable to raise or otherwise acquire funding sufficient to address the need or deficiency for which the grant application is submitted.

Proposed law authorizes the secretary to promulgate rules to establish the criteria for the award of grants in any year in which appropriations for such purpose exceed the total amount of grant applications.

Proposed law establishes a program of assistance to be provided by the department to rural hospitals in the development and preparation of capital outlay funding requests for purposes of the state capital outlay budget. The secretary of the department is required to develop guidelines and may issue rules with respect to applications and eligibility for a rural hospital capital outlay project to receive assistance and support by the department. The secretary, at his discretion, may provide a letter of endorsement for a particular capital outlay project, the application for which has been accomplished with the assistance of the department. An endorsement by the secretary shall be based on his determination of the relative quality, necessity, and feasibility of the project.

(Adds R.S. 39:100.130-130.2)

